

LOFARO & REISER, L.L.P.
55 Hudson Street
Hackensack, New Jersey 07601
(201) 498-0400
Attorneys for Debtor

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF NEW JERSEY



In re:

CHAPTER 11
CASE NO.: 14-27001-DHS

EDWARD KOSTOVSKI,

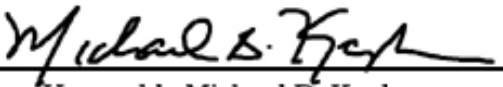
Debtor.

Hearing Date: October 14, 2014

**ORDER APPROVING POST-PETITION
FINANCING, ALLOWING
REDEMPTION, AND GRANTING
STAY RELIEF**

The relief set forth on the following page is hereby **ORDERED**.

DATED: 10/15/2014



Honorable Michael B. Kaplan
United States Bankruptcy Judge

Debtor: Edward Kostovski

Chapter 11; Case No.: 11-27001-DHS

Order Approving Post-Petition Financing, Allowing Redemption, and Granting Stay Relief

Page 2 of 2

THIS MATTER having come before the Court on the motion of the Debtor Edward Kostovski, for entry of an order authorizing the Debtor to obtain post-petition financing pursuant to 11 U.S.C. §§ 364, and to authorize redemption of a foreclosed mortgage as to certain real property commonly known as 344 1st Street, Saddle Brook, New Jersey within the time parameters of 11 U.S.C. § 108(b) (the “Motion”); and whereas prior to the Debtor’s bankruptcy filing the subject mortgage was foreclosed by the mortgagee Lynx Asset Services, LLC; and whereas prior to the Debtor’s bankruptcy filing Russell Rothstein purchased the subject property at sheriff’s sale conducted by the Bergen County Sheriff; and whereas the Debtor filed this bankruptcy case prior to expiration of his state law redemption rights resulting in obtaining a 60-day tolling of his state law redemption rights pursuant to 11 U.S.C. § 108(b); and whereas on October 2, 2014 the Debtor having filed the within Motion concurrent with an Application to Shorten Time; and whereas on October 3, 2014 the Court entered an Order Shortening Time setting the hearing for October 10, 2014; and whereas at the Debtor’s request the Court having adjourned the hearing to October 14, 2014; and whereas on October 14, 2014 the Court having conducted a hearing in the presence of counsel for the Debtor (Glenn R. Reiser, Esq. appearing), counsel for the foreclosure bidder Russell Rothstein (David S. Catuogno, Esq. appearing), and counsel for the Office of the United States Trustee, Region 3 (Fran B. Steele, Esq. appearing); and the Court having considered all papers filed in support of, or in opposition to the Motion; and it appearing that proper and sufficient notice of the Motion having been served upon all parties-in-interest, either

directly or through their counsel of record; and for good cause appearing, and for the reasons set forth on the record, it is hereby

ORDERED that the Motion is granted; and it is further

ORDERED that Debtor be and hereby is allowed to enter into a post-petition loan transaction with Acqua Capital pursuant to the terms outlined in the Debtor's Supplemental Declaration filed in support of the Motion, and recited in the loan commitment letter annexed as Exhibit 1 and it is further

ORDERED that the Debtor be and hereby is allowed to enter into a post-petition loan transaction with Zoran Kostovski pursuant to the terms outlined in the Debtor's Declaration filed in support of the Motion; and it is further

ORDERED that the Debtor is authorized to pay the usual and necessary costs and expenses of settlement; and it is further

ORDERED that the Debtor shall be, and hereby is, authorized to redeem the mortgage held by Lynx Asset Services, LLC as against the Debtor's real property commonly known as 344 1st Street, Saddle Brook, New Jersey, pursuant to 11 U.S.C. § 108(b); and it is further

ORDERED that the Debtor shall use the proceeds of both loans to redeem the mortgage foreclosed by *Lynx Asset Services, LLC* as to the property commonly known as 344 1st Street, Saddle Brook, New Jersey.

ORDERED that Debtor's counsel shall be allowed a legal fee of \$3,500 for representation of the Debtor in connection with this motion and in attending to any closing requirements of the lenders; and it is further

ORDERED that the Office of the United States Trustee and counsel for the foreclosing bidder Russell Rothstein shall be provided with a copy of the HUD-1 settlement statement within two (2) days of the closing of the loans; and it is further

ORDERED that Fed. R. Bankr. P. 6004(h), which provides for a 14-day stay of this order is not applicable; and it is further

ORDERED that the 60-day extended redemption period provided pursuant to 11 U.S.C. § 108(b) expires on October 17, 2014 and, upon such expiration Russell Rothstein, successful bidder at Sheriff's sale, to the extent necessary, shall be, and hereby is, granted relief from the automatic stay under 11 U.S.C. 362 for the purpose of obtaining delivery of a sheriff's deed from the Bergen County Sheriff concerning the property commonly known as 344 1st Street, Saddle Brook, New Jersey and, as of October 18, 2014, the Sheriff shall not be stayed or otherwise precluded from delivering a deed to Mr. Rothstein and shall be authorized to do so if the Debtor has not previously exercised his right of redemption; and it is further

ORDERED that Russell Rothstein reserves all right to assert and seek payment of an administrative expense claim in this bankruptcy proceeding, and/or to seek, in the Bankruptcy Court or other Court of appropriate jurisdiction, payment of rent(s) that may have been collected by the Debtor as to the Property as well as re-imbursement of costs and expenses incurred in connection with this matter. The Debtor reserves all rights, defenses and objections as to any such requests.

ORDERED that the Debtor shall serve a copy of this Order on all parties-in-interest, including all parties who have filed a notice of appearance with the Clerk of the Court, within 2 days of the date hereof.

EXHIBIT 1

ACQUA CAPITAL, LLC

333 Mamaroneck Avenue, #384

White Plains, New York 10605

Acqua Capital LLC (Lender) agrees to lend the sum of \$275,000 to Edward Kostovski. (Borrower) who shall mortgage the premises located at 344 First Street, Saddle Brook NJ as security for the loan.

AMOUNT, TERMS AND FEES

Amount of Loan: \$275,000 Contract Interest Rate: 15.95 %

REPAYMENT TERMS

Loan shall be for a term of six months, with monthly payments of interest only. There shall be no prepayment penalty.

EVIDENCE OF TITLE

A Commitment to issue title insurance in the amount of the loan by a company licensed in the State of New Jersey is to be provided to the Lender and must indicate no liens, encumbrances, or any adverse covenants or conditions to title unless approved by Lender. Borrower will be responsible for the cost of providing such title insurance and the cost of recording documents, as well as counsel fee to Lender's attorney in the sum of \$1,500.

FIRE, FLOOD AND EXTENDED COVERAGE INSURANCE

At the time of settlement we will require an original insurance policy containing fire and extended coverage insurance in an amount at least equal to that of the mortgage through a company acceptable to Lender, and a receipt showing premiums paid in advance for one year. The insurance policy shall also contain a standard mortgage clause in favor of Lender.

If this property has been determined to be in an area which has a special flood hazard, flood insurance shall be provided in either the maximum amount available or the loan balance, whichever is the lesser. This insurance will be mandatory until this loan is paid in full.

DOCUMENTATION

The mortgage, note and other pertinent loan documents will be provided by Lender and must be signed by all applicants that are to be contractually liable under this obligation.

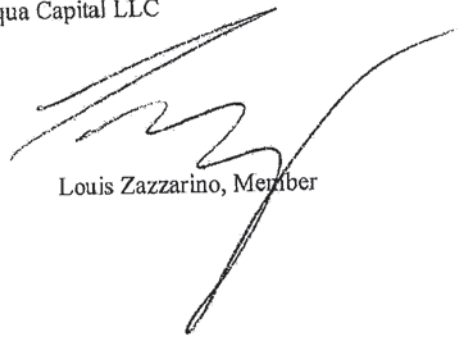
CANCELLATION The Lender reserves the right to terminate this commitment prior to the settlement of the loan in the event of an adverse change in your personal or financial status, or the improvements on the property are damaged by fire or other casualty.

BANKRUPTCY COURT APPROVAL

This commitment is subject to Borrower obtaining approval for this transaction for the mortgaging of the property at 344 First Street, Saddle Brook NJ by Edward Kostovski as security for the loan. Borrower shall be responsible for the cost of obtaining such approval.

Acqua Capital LLC

By


Louis Zazzarino, Member